

## CITY OF ROCHESTER, MINNESOTA

## TABLE IX

COMPUTATION OF DIRECT AND INDIRECT GENERAL OBLIGATION BONDED DEBT  
AND LEGAL DEBT MARGIN

December 31, 1998

Direct Debt:

	<u>Gross Debt (1)</u>	<u>Less: Debt Service Funds</u>	<u>Net Direct Debt</u>
General Obligation Debt:			
Supported by Taxes and/or Assessments	\$705,000	\$775,369	(\$70,369)
Supported by Tax Increments	<u>11,962,080</u>	<u>251,535</u>	<u>11,710,545</u>
Total	<u>\$12,667,080</u>	<u>\$1,026,904</u>	<u>\$11,640,176</u>

(1) From Table VIII

Indirect Debt:

<u>Governmental Unit</u>	<u>1998/99 Net Tax Capacity</u>	<u>Net G.O. Debt Outstanding</u>	<u>Debt Applicable to Value in City</u>	
			<u>Percent</u>	<u>Amount</u>
Olmsted County	\$71,576,679	\$1,953,671	72.57%	\$1,417,779
I.S.D. #535	62,003,522	41,132,077	83.77	<u>34,456,341</u>
Total City Portion				<u>\$35,874,120</u>

General Obligation Net Direct Debt and Indirect Debt:

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Portion Chargeable to City</u>	
		<u>Percent</u>	<u>Amount</u>
City of Rochester	\$11,640,176	100.00%	\$11,640,176
Olmsted County	1,953,671	72.57	1,417,779
I.S.D. #535	41,132,077	83.77	<u>34,456,341</u>
Total General Obligation Direct and Indirect Debt			<u>\$47,514,296</u>

The legal debt limit for municipalities in Minnesota is 2% of the market value of taxable property. This limit applies only to the City's general obligation tax levy bonds and excludes improvement, revenue and tax increment supported bonds. The City has no General Obligation debt chargeable against this debt limit at December 31, 1998. The legal debt limit and the legal debt margin are the same...computed as follows...\$3,114,471,869 x 2% = \$62,289,437.